

FN: Procedure - Project Costing Principles

1. PURPOSE

- 1.1 The SmartSat Cooperative Research Centre (SmartSat) is committed to funding quality projects that contribute to SmartSat meeting its committed strategic goals, impacts and milestones. However, in order to do this, the SmartSat must ensure that its funds are being used within a framework which allows equity in funding projects and project participants in a fair and consistent manner.
- 1.2 The purpose of this document is to provide a set of principles for the activities and costs that will, and will not, be funded in SmartSat projects.

2. SCOPE

- 2.1 This procedure applies to all project activities undertaken within SmartSat.

3. REFERENCES

- 3.1 This procedure should be reviewed in conjunction with the following:
 - a) RP: Policy – Research Project Investment Criteria
 - b) RP - Template Expression of Interest
 - c) RP - Template Project Plan
 - d) RP – Proposal Budget Template

4. POLICY STATEMENT AND GUIDANCE

General Project Funding Principles

- 4.1 The following principles should also be considered when building the Project budgets:
 - a) Projects are subject to value-for money consideration, and the 'reasonableness' of requested funding in the context of the proposed project and stated outcomes. While specific items addressed in this policy deemed to be acceptable "funded activities" in their own right, this is weighted against the reasonableness of the overall budget.
 - b) Project budgets should identify the total resources required to undertake a project. This includes both in-kind inputs made available by project participants, as well as budget for resources proposed to be funded by SmartSat (using Commonwealth and Participant cash) ('Project Cash');
 - c) It is expected that SmartSat Partners will provide in-kind contributions to projects, increasing the value proposition for project, and noting that Partners have made a commitment to provide in-kind to the overall CRC, and this is

often provided on projects;

- d) Contributions made to projects by project partners (in-kind or additional, non-SmartSat cash) will be taken into account when determining access to, and conditions of use of intellectual property and outcomes of the project.
- e) Non-SmartSat organisations participating in a project are expected to commit resources (cash and/or in-kind) in cases where they are beneficiaries of the outcomes from the project;
- f) Projects are expected to be collaborative, and in general will involve two or more contributing partners. This may be waived in cases (e.g., where underpinning research is undertaken). It is expected that the majority of project activity funded will be undertaken by research providers.
- g) SmartSat funding for projects is generally only available to SmartSat Partners (that is, organisations who have signed an agreement with SmartSat);
- h) Non-SmartSat organisations participating on projects may only be funded using CRC funds where:
 - (i) There is a demonstrated need;
 - (ii) The necessary expertise does not exist within the existing Partners (as reasonably determined by SmartSat);
 - (iii) The cash spend represents value for money;
 - (iv) An appropriate justification and/or process has been put into place to select the individual or organisation to undertake the task (as reasonably determined by SmartSat).
- i) The SmartSat Project Budget Template (Reference 3.1(a) above) must be used for estimating total project costs, be submitted with the project proposal, and be consistent with the project proposal.

Funded Activities

4.2 SmartSat will generally consider funding the following project activities:

- a) Base salary (level and band specific) + direct on costs (allowing for superannuation and other direct employment on-costs) for specified research and professional personnel;
- b) Travel as specified in the project plan to deliver the project. This incorporates economy class travel, accommodation, ground transport and meals (generally in line with ATO rates);
- c) Purchase and maintenance of project specific equipment, hardware or software (the project should initially aim to source these from partners as an

- in-kind contribution, where available);
- d) Direct costs associated with the access to, and maintenance of, project specific facilities;
 - e) Direct costs associated with running project workshops;
 - f) Fees for patent applications (where approved by SmartSat);
 - g) Costs associated with access to project-specific information and data;
 - h) Scholarships, valued at \$30,000 p.a. stipend for full scholarships, and \$15,000 for top-up scholarships. The breakdown between Stipend and Operational allowance for the top-up scholarship will be at the discretion of the project leader.
 - i) The purchase of capital items/assets (valued at over \$20,000) will not normally be supported under the standard funding model unless there is a compelling case that demonstrates that it is critical for the work to be undertaken, available for use extensively – on this and future planned projects (commensurate with the amount spent), and represents value for money;
 - j) Travel costs associated with dissemination of project outputs, but noting specific conference(s) or visit(s) need to be identified and justified. Note that where overseas travel is proposed, this would normally be limited to 1 person travelling economy class for up one week per year, unless a compelling case is demonstrated.

Non-Funded Activities

- 4.3 Certain items, listed in Section 4.4 below, will not generally be funded by existing SmartSat funds (i.e., existing Commonwealth or Partner funds), unless a compelling case is put forward (as determined by SmartSat). Note that this may be possible where additional, non-SmartSat funds are applied to the project, and by agreement with SmartSat.
- 4.4 The following items will not generally be funded by SmartSat funds:
 - a) Cost of project Chief Investigator;
 - b) Overhead or indirect support costs in addition to salary and on-cost rates for specified research and professional personnel (refer 4.2(a) above);
 - c) Costs associated with the purchase of 'generic' employee assets such as (but not limited to) computers, desks and chairs;
 - d) Teaching relief;
 - e) Capital works or for the purchase or construction of facilities such as buildings or laboratories, or general infrastructure costs;
 - f) Access to 'generic' facilities as required in the course of normal employment;

- g) Costs not directly related to the research activities such as (but not limited to) professional membership fees, professional development costs, equipment for presentations, visas, relocation costs, insurances, phone charges, internet charges, print charges and entertainment costs;
- h) Costs of research and/or project activity conducted outside of Australia; and
- i) Fees for hosting seminars, conferences and other activities outside of the Education and Training activities of the SmartSat.